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9 **BEFORE THE**
10 **DIRECTOR OF THE OFFICE OF REAL ESTATE APPRAISERS**
11 **STATE OF CALIFORNIA**

12 **In the Matter of the Accusation Against:**

Case Nos. C 081202-01 and C 090105-03

13 **JOHN B. WILSON**
14 **4607 Lakeview Canyon Road #366**
15 **Westlake Village, CA 91361**

A C C U S A T I O N

16 **Certified Residential Appraiser License No.**
17 **AR027441**

18 **Respondent.**

19 Complainant alleges:

20 **PARTIES**

21 1. Elizabeth Seaters, acting on behalf of the Office of Real Estate Appraisers
22 (Complainant) brings this Accusation solely in her official capacity as Acting Chief of
23 Enforcement for Complainant.

24 2. On or about January 25, 2000, the Director of the Office of Real Estate Appraisers
25 ("Director") issued Certified Residential Appraiser license Number AR027441 to John B. Wilson
26 ("Respondent"). Respondent's real estate appraiser license was in full force and effect at all
27 times relevant to the charges brought herein. Respondent's real estate appraiser license expired
28 on February 28, 2010.

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1 **JURISDICTION**

2 3. This Accusation is brought before the Director of the Office of Real Estate Appraisers
3 (“OREA”) under the authority of the following laws. All section references are to the Business
4 and Professions Code unless otherwise indicated.

5 4. Code section 11313 requires OREA to adopt and enforce rules and regulations as are
6 determined reasonably necessary to carry out the purposes of the Real Estate Appraisers’
7 Licensing and Certification law.

8 5. Code section 11314 states, in pertinent part:

9 The office is required to include in its regulations requirements for licensure and discipline
10 of real estate appraisers that ensure protection of the public interest.

11 **FINES**

12 6. Code section 11316, subdivision (a) states:

13 The director may assess a fine against a licensee, applicant for licensure, person who acts in
14 a capacity that requires a license under this part, course provider, applicant for course provider
15 accreditation, or a person who, or entity that, acts in a capacity that requires course provider
16 accreditation for violation of this part or any regulations adopted to carry out its purposes.

17 **MINIMUM STANDARDS FOR CONDUCT AND PERFORMANCE**

18 7. Code section 11319 states:

19 Notwithstanding any other provision of this code, the Uniform Standards of Professional
20 Appraisal Practice constitute the minimum standard of conduct and performance for a licensee in
21 any work or service performed that is addressed by those standards. If a licensee also is certified
22 by the Board of Equalization, he or she shall follow the standards established by the Board of
23 Equalization when fulfilling his or her responsibilities for assessment purposes.

24 8. Code section 11328 states:

25 To substantiate documentation of appraisal experience, or to facilitate the investigation of
26 illegal or unethical activities by a licensee, applicant, or other person acting in the capacity that
27 requires a license, that licensee, applicant or person shall, upon the request of the director, submit
28 copies of appraisals, or any work product which is addressed by the Uniform Standards of

1 Professional Appraisal Practice, and all supporting documentation and data to the office. This
2 material shall be confidential in accordance with the confidentiality provisions of the Uniform
3 Standards of Professional Appraisal Practice.

4 **COST RECOVERY**

5 9. Code section 11409, subdivision (a) states:

6 Except as otherwise provided by law, any order issued in resolution of a disciplinary
7 proceeding may direct a licensee, applicant for licensure, person who acts in a capacity that
8 requires a license under this part, course provider, applicant for course provider accreditation, or a
9 person who, or entity that, acts in a capacity that requires course provider accreditation found to
10 have committed a violation or violations of statutes or regulations relating to real estate appraiser
11 practice to pay a sum not to exceed the reasonable costs of investigation, enforcement, and
12 prosecution of the case.

13 **REGULATORY PROVISIONS**

14 10. The OREA regulations appear in Title 10, Chapter 6.5, section 3500 et seq., as
15 amended from time to time, of the California Code of Regulations (Regulation.)

16 11. Regulation section 3527, subdivision (a) states, in pertinent part:

17 (a) All applicants for and holders of a license...shall submit written notice to OREA
18 of any change to the following within 10 days on the Change Notification and Miscellaneous
19 Requests Form REA 3011 (Rev. 5/8/00), which is herein incorporated by reference:

- 20 (1) Name;
- 21 (2) Residence telephone number
- 22 (3) Business telephone number
- 23 (4) Residence Address
- 24 (5) Business name or address; or
- 25 (6) Mailing address.

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1 12. Regulation section 3701 states:

2 Every holder of a license under this part shall conform to and observe the Uniform
3 Standards of Professional Appraisal Practice (USPAP) and any subsequent amendments thereto
4 as promulgated by the Appraisal Standards Board of The Appraisal Foundation which standards
5 are herein incorporated into these regulations by reference as if fully set forth herein.

6 13. Regulation section 3702 states, in pertinent part:

7 (a) The Director finds and declares as follows:

8 (1) That the profession of real estate appraisal is vested with a fiduciary
9 relationship of trust and confidence as to clients, lending institutions, and both public
10 and private guarantors or insurers of funds in federally-related real estate transactions
11 and that the qualifications of honesty, candor, integrity and trustworthiness are
12 directly and substantially related to and indispensable to the practice of the appraisal
13 profession ...

14 (3) Every holder of a license to practice real estate appraisal ...shall be
15 required to demonstrate by his or her conduct that he or she possesses the
16 qualifications of honesty, candor, integrity and trustworthiness.

17 14. Regulation section 3705 (a) states:

18 Every appraisal report subject to the Uniform Standards of Professional Appraisal
19 Practice upon final completion shall bear the signature and license number of the appraiser and
20 of the supervising appraiser, if appropriate. The affixing of such signature and number
21 constitute the acceptance by the appraiser and supervising appraiser of full and personal
22 responsibility for the accuracy, content, and integrity of the appraisal under Standards Rules 1
23 and 2 of USPAP.

24 15. Regulation 3721 states, in pertinent part:

25 (a) The Director may issue a citation, order of abatement, assess a fine or private or
26 public reproof, suspend or revoke any license or Certificate of Registration, and/or may deny the
27 issuance or renewal of a license or Certificate of Registration of any person or entity acting in a
28 capacity requiring a license or Certificate of Registration who has:

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(6) Violated any provision of USPAP

(7) Violated any provision of the Real Estate Appraisers' Licensing and Certification Law, Part 3 (commencing with Section 11300) of Division 4 of the Business and Professions Code, or regulations promulgated pursuant thereto; or any provision of the Business and Professions Code applicable to applicants for or holders of licenses authorizing appraisals.

UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)
(EFFECTIVE JANUARY 1, 2005)¹

16. USPAP Standard 1 states:

In developing a real property appraisal, an appraiser must identify the problem to be solved and the scope of work necessary to solve the problem, and correctly complete research and analyses necessary to produce a credible appraisal.

17. USPAP Standard 2 states:

In reporting the results of a real property appraisal, an appraiser must communicate each analysis, opinion, and conclusion in a manner that is not misleading.

18. The Ethics Rule of USPAP states, in pertinent part:

To promote and preserve the public trust inherent in professional appraisal practice, an appraiser must observe the highest standards of professional ethics. ...

UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP)
(EFFECTIVE JANUARY 1, 2008)²

19. USPAP Standard 1 states:

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¹ USPAP is periodically revised: appraisers are responsible for adherence to the edition of USPAP in effect as of the date of report for an appraisal. The 2005-2006 edition of USPAP (effective January 1, 2005, through June 30, 2006), was applicable to the appraisal in this case, which had a report date of August 24, 2005.
² The 2008-2009 edition of USPAP (effective January 1, 2008, through December 31, 2009), was applicable to the appraisal in this case, which had a report date of April 24, 2008.

1 In developing a real property appraisal, an appraiser must identify the problem to be
2 solved, determine the scope of work necessary to solve the problem, and correctly complete
3 research and analyses necessary to produce a credible appraisal.

4 20. USPAP Standard 2 states:

5 In reporting the results of a real property appraisal, an appraiser must communicate
6 each analysis, opinion, and conclusion in a manner that is not misleading.

7 21. The Ethics Rule of USPAP states, in pertinent part:

8 To promote and preserve the public trust inherent in professional appraisal practice,
9 an appraiser must observe the highest standards of professional ethics. ...

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11 **PROPERTIES APPRAISED**

12 On August 24, 2005, Respondent completed a real estate appraisal report for property
13 located at 10431/10433 Ruthven Lane, Los Angeles, California, with a concluded opinion of
14 value at \$900,000.00. The property consisted of two lots at 6,129 square feet.

15 On April 24, 2008, Respondent completed a real estate appraisal report for property located
16 at 2800 Cormier Drive, Bakersfield, California, with a concluded opinion of value at
17 \$2,600,000.00. The property consisted of a 18,671 square foot lot improved with an
18 approximately 5,650 square foot, 10 rooms, 4 bedrooms, 5 bathrooms, 1 story, home built in
19 2008. The intended use of the appraisal report was for market value of the property purposes.

20 22. On November 24, 2008 Complainant received a request to initiate a disciplinary
21 action against Respondent regarding Respondent's appraisal of the property described in
22 paragraph 19, above.

23 23. On December 22, 2008 Complainant received a request to initiate a disciplinary
24 action against Respondent regarding Respondent's appraisal of the property described in
25 paragraph 20, above.

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1 **BASIS FOR DISCIPLINE**

2 **FIRST CAUSE FOR DISCIPLINE**

3 **(Failure to Respond or Cooperate in an Investigation of Alleged**
4 **USPAP Violations – 10431/10433 Ruthven Lane, Los Angeles, California)**

5 24. Respondent is subject to disciplinary action under Regulation section 3721,
6 subdivisions (a) (6) and (a) (7), by and through his violation of Regulation sections 3701, 3702
7 subdivisions (a) (1) and (a) (3), and the following USPAP violations:

8 25. Respondent is subject to disciplinary action under Business and Professions Code
9 section 11328 for failing to cooperate with the investigation and provide a copy of the appraisal
10 report and associated workfile for the property located at 10431/10433 Ruthven Lane, Los
11 Angeles, California when requested to do so, as follows:

12 26. On February 2, 2009, a 30 day demand letter was sent requesting appraisal reports
13 for the Ruthven Lane property and the Cormier Drive property.

14 27. On May 4, 2009, Complainant left a message for Respondent to return call.
15 Complainant also stated in the message that Respondent had not responded to the demand letter
16 sent on February 2, 2009.

17 28. On May 11, 2009, Respondent returned Complainant's call and stated he did not
18 receive the demand letter. Complainant verified the address and resent a second demand letter by
19 certified mail the same day.

20 29. On May 18, 2009, the signed certified card was returned by the postal service.

21 30. On June 8, 2009, the Respondent called stating he had been in the hospital but will
22 be sending the requested information this week.

23 31. On July 23, 2009, the appraisal report for 2800 Cormier Drive, Bakersfield, CA
24 was received, but not the appraisal for the Ruthven Lane property.

25 32. On August 3, 2009, another demand letter was sent by certified mail requesting the
26 appraisal report for the Ruthven Lane property.

27 33. On August 10, 2009, the signed certified card was returned by the postal service.

28 34. On September 28, 2009, the Respondent called stating he is still looking for the

1 report for Ruthven Lane. He stated he should be sending the report sometime this week.

2 35. On October 15, 2009, the Respondent called and left a message stating he is still
3 looking for the appraisal report for Ruthven Lane. The Respondent stated he will get the report to
4 our office as soon as it is located.

5 36. On December 3, 2009, the Respondent was called and a message was left stating
6 our office still has not received the appraisal report for Ruthven Lane.

7 37. On February 28, 2010, the respondent's license expired.

8 38. On May 6, 2010, a message was left on the Respondents business/residence phone
9 (805-432-6141) for a returned call.

10 39. On May 18, 2010, the final demand letter was sent by certified mail to 4607
11 Lakeview Canyon Road #366, Westlake Village, CA 91361.

12 40. On May 24, 2010, the signed certified card was returned by the postal service.

13 **SECOND CAUSE FOR DISCIPLINE**

14 **(Failure to Respond or Cooperate in an Investigation of Alleged**

15 **USPAP Violations – 2800 Cormier Drive, Bakersfield, California)**

16 41. Respondent is subject to disciplinary action under Regulation section 3721,
17 subdivisions (a) (6) and (a) (7), by and through his violation of Regulation sections 3701, 3702
18 subdivisions (a) (1) and (a) (3), and the following USPAP violations:

19 42. Respondent is subject to disciplinary action under Business and Professions Code
20 section 11328 for failing to cooperate with the investigation and provide a copy of the appraisal
21 report and associated workfile for the property located at 10431/10433 Ruthven Lane, Los
22 Angeles, California when requested to do so, as follows:

23 43. On February 2, 2009, a 30 day demand letter was sent requesting appraisal reports
24 for the Ruthven Lane property and the Cormier Drive property.

25 44. On May 4, 2009, Complainant left a message for Respondent to return call.
26 Complainant also stated in the message that Respondent had not responded to the demand letter
27 sent on February 2, 2009.

28 45. On May 11, 2009, Respondent returned Complainant's call and stated he did not

1 receive the demand letter. Complainant verified the address and resent a second demand letter by
2 certified mail the same day.

3 46. On May 18, 2009, the signed certified card was returned by the postal service.

4 47. On June 8, 2009, the Respondent called stating he had been in the hospital but will
5 be sending the requested information this week.

6 48. On July 23, 2009, the appraisal report for 2800 Cormier Drive, Bakersfield, CA
7 was received, but not the appraisal for the Ruthven Lane property.

8 49. On February 28, 2010, the respondent's license expired.

9 50. On May 6, 2010, a message was left on the Respondents business/residence phone
10 (805-432-6141) for a returned call.

11 51. On May 18, 2010, the final demand letter was sent by certified mail to 4607
12 Lakeview Canyon Road #366, Westlake Village, CA 91361.

13 52. On May 24, 2010, the signed certified card was returned by the postal service.

14 **PRAYER**

15 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
16 and that following the hearing, the Director of the Office of Real Estate Appraisers issue a
17 decision

18 1. Revoking or suspending John B. Wilson Appraiser License Number AR027441,
19 issued to John B. Wilson.

20 2. Ordering John B. Wilson to pay the Director of the Office of Real Estate Appraisers a
21 fine pursuant to section 11316(a); and

22 3. Taking such other and further action as deemed necessary and proper.

23
24 DATED: 5/28/12

Original Signed

25 Elizabeth Seaters
26 Acting Chief of Enforcement
27 Office of Real Estate Appraisers
28 State of California
Complainant